

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

951M0347

## HOUSE BILL NO. 1167

Introduced by: Representatives Wick, Boomgarden, Buckingham, Cutler, Deadrick, Dykstra, Faehn, Frost, Garnos, Glover, Hackl, Halverson, Heineman, Hennies, Hills, Hunhoff, Hunt, Jensen, Klaudt, Koistinen, Kraus, Krebs, Lange, McCoy, McLaughlin, Michels, Murschel, Nelson, Novstrup, Pederson (Gordon), Putnam, Rausch, Rave, Rhoden, Rounds, Schafer, Sebert, Street, Tidemann, Turbiville, Van Etten, Vehle, Weems, and Willadsen and Senators Knudson, Apa, Bogue, Broderick, Duenwald, Earley, Gray, Kelly, Koskan, Lintz, McNenny, Peterson (Jim), Smidt, and Sutton (Dan)

1 FOR AN ACT ENTITLED, An Act to create a tax relief fund and to dedicate certain sales and  
2 use tax revenue received by the state through the Streamlined Sales and Use Tax Agreement.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. There is hereby created in the state treasury the tax relief fund. The revenue  
5 collected pursuant to section 2 of this Act shall be deposited in the tax relief fund for the  
6 purpose of reducing the rate of taxation or exempting taxes imposed by the state. The reduction  
7 or exemption in taxation shall be based on the amount of revenue deposited in the tax relief fund  
8 during the previous fiscal year and the expectation that a similar amount of revenue shall be  
9 received annually thereon. The commissioner of finance and management may transfer moneys  
10 available from the tax relief fund to the general fund as necessary to replace the revenue  
11 previously received from the taxes that were either exempted or reduced or both. The fund shall  
12 be invested as provided by law, and the interest earned shall be credited to the fund.



1       Section 2. The additional net revenue received by the state, which would otherwise not have  
2       been received by the state, except for the implementation of the provisions of the Streamlined  
3       Sales and Use Tax Agreement on sales taxes imposed by chapter 10-45 and use taxes imposed  
4       by chapter 10-46, shall be deposited in the tax relief created pursuant to section 1 of this Act.  
5       However, an amount equal to the additional net revenue received by the state in fiscal year 2006,  
6       which would otherwise not have been received by the state except for the implementation of the  
7       provisions of the Streamlined Sales and Use Tax Agreement on sales taxes imposed by chapter  
8       10-45 and use taxes imposed by chapter 10-46, shall be annually deposited in the general fund.